ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In The Matter of	
FEDERAL-STATE JOINT BOARD ON UNIVERSAL SERVICE	CC Docket No. 96-45

REPLY COMMENTS OF THE TELECOMMUNICATIONS RESELLERS ASSOCIATION

TELECOMMUNICATIONS RESELLERS ASSOCIATION

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January 10, 1997

SUMMARY

The Telecommunications Resellers Association ("TRA"), an organization consisting of more than 500 interexchange, international, local and wireless resale carriers and their underlying product and service suppliers, offers the following comments in reply to selected comments on the Recommended Decision of the Federal-State Joint Board in the Commission's universal service proceeding undertaken pursuant to Section 254(a) of the Telecommunications Act of 1996.

TRA continues to strongly support the Joint Board's recommendation that universal service contributions should be based upon gross telecommunications revenues net of payments to other carriers. This funding methodology will promote the competitive neutrality with which the Joint Board correctly imbues Section 254 and ensure that all telecommunications providers will equitable and nondiscriminatorily contribute to the preservation and advancement of universal service.

TRA also urges the Commission to modify the Joint Board's definition of "eligible telecommunications carrier" to include resale carriers within the scope of the classification. Such a modification would bring the definition into closer conformity with the 1996 Act's overall focus on eliminating entry barriers by placing non-facilities-based providers on a more equal footing with their facilities-based competitors. TRA stresses that no practical difference can be discerned between a carrier providing service utilizing a single facilities element and a carrier providing service exclusively through resale and therefore no valid reason exists for differentiating between the two carriers for purposes of determining universal service support eligibility. Should the Commission nonetheless feel compelled to adopt the Joint Board's unduly restrictive definition

of "eligible communications carrier," however, TRA strongly urges the Commission to exercise the forbearance authority granted it by Section 401 of the 1996 Act to reach the more equitable result of allowing non-facilities-based providers to share in universal service support where appropriate.

The Commission should strictly limit the application of any policy which would prohibit the disconnection of service as a result of non-payment of toll charges. TRA endorses the Joint Board's recommendation that a "no-disconnect" policy should be limited in scope to apply only to Lifeline customers of eligible telecommunications carriers which have received universal service support for that Lifeline service.

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COMMENTS OF THE TELECOMMUNICATIONS RESELLERS ASSOCIATION

The Telecommunications Resellers Association ("TRA"), through undersigned counsel and pursuant to Public Notice, DA 96 1891 (released November 18, 1996) (the "Notice"), hereby responds to selected comments on the Recommended Decision, FCC 96J-3, released by the Federal-State Joint Board (the "Joint Board") in the captioned docket on November 8, 1996 (the "Recommended Decision").

I.

INTRODUCTION

In its Comments, TRA wholeheartedly supported the Joint Board's recommendation that carrier contributions to the universal service fund should be based on gross telecommunications revenues net of payments to other carriers. TRA emphasized that the Joint Board's recommended contribution mechanism avoided the "double payment problem" the Commission has recognized with respect to the imposition of regulatory fees and the assessment of contribution obligations to fund number administration and shared number portability costs.

Moreover, TRA pointed out that basing universal service contributions on gross telecommunications revenues net of payments to other carriers is competitively neutral, closely approximates the value-added contribution of each carrier, and is relatively simple to administer.

TRA, however, urged the Commission to expand the Joint Board's recommended scope of carriers eligible to receive universal service support to include non-facilities-based providers. TRA argued that whether this end is accomplished through a broad reading of Section 214(e)(1) or exercise of the Commission's Section 401 forbearance authority, the inclusion of non-facilities-based providers among those carriers eligible to receive universal service support is in the public interest. TRA emphasized that non-facilities-based providers effectively assume a portion of the risk taken by an incumbent local exchange carrier ("ILEC") in constructing physical facilities and provide the ILEC with a buffer from that portion of the risk. Having assumed the risk associated with the provision of the services supported by interstate support mechanisms and having committed to broadly holding itself out to provide such services, TRA explained, the non-facilities-based carrier is no less deserving of Federal universal service support than the ILEC from whom it acquires network services.

TRA further stressed that there is no meaningful distinction between a non-facilities-based carrier and a carrier with a single piece of equipment in a market. Given this lack of meaningful distinction, TRA argued, the enforcement difficulties the Joint-Board's recommended facilities-ownership limitation would create mirror those the Commission acknowledged in rejecting a facilities-ownership requirement for acquiring unbundled network elements; indeed, TRA pointed out, it is likely that such a facilities-ownership limitation would

"be so easy to meet [that] it would ultimately be meaningless."[1] Finally, TRA demonstrated that the facilities-ownership restriction the Joint Board recommends would place non-facilities-based carriers at a competitive disadvantage and hence would not be competitively neutral. TRA noted that the Joint Board itself acknowledged that unnecessary restrictions on eligibility to receive universal service funding could "chill competitive entry into high cost areas."[2]

TRA herein responds to parties which criticized the Joint Board's recommendation that universal service be funded through contributions predicated on carriers' gross telecommunications revenues net of payments to other telecommunications carriers. TRA also joins a number of other commenters in advocating that all carriers, including non-facilities-based providers, which offer and broadly advertise the availability of the various services supported by interstate support mechanisms under Section 254(c) should be included within the Commission's definition of an "eligible telecommunications carrier." Finally, TRA agrees herein with commenters who urge the Commission to strictly limit the application of any policy which would prohibit the disconnection of service as a result of non-payment of toll charges.

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[1] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, FCC 96-325, ¶ 339 (released Aug. 8, 1996), *pet. for rev. pending sub nom.* Iowa Util. Board v. FCC, Case No. 96-3321 (8th Cir. Sept. 5, 1996) ("Local Competition First Report and Order").

[2] Recommended Decision, FCC 96J-3 at ¶ 156.

II.

ARGUMENT

A. Carrier Contributions to the Universal Service Fund Must Equitably be Based Upon Gross Telecommunications Revenues Net of Payments to Other Carriers

By adopting the Joint Board's recommendation that carrier contributions to the universal service fund "be based on a carrier's gross telecommunications revenues net of payments to other carriers,"[3] the Commission will ensure the fulfillment of the requirements of Section 254(d) that "every telecommunications carrier that provides interstate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, to the specific, predictable, and sufficient mechanisms established by the Commission to preserve and advance universal service."[4] The Joint Board correctly concluded that this approach ensures that all carriers will make contributions based on the value of the services that they add to the public switched telephone network, avoiding preferential treatment of wholesale providers.[5] As the Joint Board noted, basing universal service contributions on "retail revenues" would eliminate the "double payment" issue raised by TRA and other commenters, but would prefer wholesale providers by relieving them of funding obligations as to the services they provide on a wholesale basis.[6]

In an attempt to dissuade the Commission to adopt the Joint Board's funding recommendation, several parties identify ease of administration as a significant benefit to funding

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[3] Id. at ¶ 807.

[4] 47 C.F.R. § 254(d).

[5] Recommended Decision, FCC 96J-3 at ¶ 809.

[6] Id. at ¶ 811.

universal service contributions on the basis of total retail revenues.[7] The Commission should not be distracted by this contention. In forming its recommendations, the Joint Board has fully considered the ease with which various universal service funding mechanisms may be administered. In this regard, the Joint Board specifically found that "basing contributions on gross revenues net of payments to other carriers . . . would be administratively easy to implement because . . . the Commission already collects common carrier regulatory fees on this basis."[8] Further, the Joint Board held that "[w]e disagree with commenters that support basing contributions on retail revenues . . . [T]he Commission would have difficulty tracking and verifying carrier retail revenues because it has not previously compiled data on that basis."[9] Certainly, ease of administration will be furthered by the assessment of contribution obligations to fund number administration and shared number portability costs on gross telecommunications revenues net of payments to other carriers.[10]

Despite the Joint Board's well-reasoned and fully supported conclusion, AT&T Corp. ("AT&T") continues to argue[11] that universal service should be funded only through a retail

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[7] *See, e.g.,* Comments of the Bell Atlantic Telephone Companies ("Bell Atlantic") at 10 - 11; Comments of the United States Telephone Association at 16; Comments of GTE Service Corporation ("GTE") at 40.

[8] Recommended Decision, FCC 96J-3 at ¶ 807.

[9] Id. at ¶811.

[10] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, FCC 96-333, ¶ 21 (released August 8, 1996), *pet. for rev. pending sub nom.* Bell Atlantic Telephone Companies, et al. v. FCC, Case No. 96-1333 (D.C. Cir. Sept. 16, 1996), *recon. pending* ("Local Competition Second Report and Order"); Telephone Number Portability (Further Notice of Proposed Rulemaking), CC Docket No. 95-116, FCC 96-286, ¶ 213 (July 2, 1996).

[11] Comments of AT&T at 8.

surcharge on end users' bills, and labels as "erroneous" the Joint Board's clear rejection of a retail end user surcharge as being in derogation of "the statutory requirement that carriers, not consumers, finance support mechanisms."[12] AT&T bases its argument upon a perceived inconsistency between §254(e)'s "statutory command that universal service support be 'explicit'"[13] and the Joint Board's assertion that the Telecommunications Act of 1996 ("1996 Act") places a USF contribution obligation upon *carriers*.[14] No such inconsistency exists. Section 254(e) requires only that "specific Federal universal support" received by an eligible telecommunications carrier "should be explicit and sufficient to achieve the purposes of this section."[15] Universal service support is no less explicit when it is funded through specific carrier contributions than if it were funded solely through an end-user surcharge.

Conversely, while it is clear that the Joint Board's rejection of a retail end user surcharge does not contravene §254(e), adoption of the position urged by AT&T would contravene §254(b)(4), which specifically provides that "[a]ll providers of telecommunications services should make an equitable and nondiscriminatory contribution to the preservation and advancement of universal service."[16] As with any funding methodology based solely on retail

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[12] Recommended Decision, FCC 96J-3 at ¶ 812.

[13] Comments of AT&T at 8.

[14] Since §254(b)((4) imposes an obligation to "make an equitable and nondiscriminatory contribution" toward the preservation of universal service on "all providers of telecommunications services," AT&T presumably is suggesting that the Joint Board seeks to absolutely limit the ability of carriers to recover USF contributions from their customers. As discussed below, this interpretation of the Joint Board's position is clearly inaccurate.

[15] 47 U.S.C. §254(e).

[16] 47 U.S.C. §254(b)(4).

revenues, use of a retail end-user surcharge would allow telecommunications carriers providing services on a wholesale basis to avoid universal service contributions to the full extent of those wholesale revenues, a clearly inequitable result.

LCI International, Inc. ("LCI") goes so far as to assert that "the Joint Board's position is indefensible."[17] TRA agrees with LCI that "nothing in the Act limits the rights of carriers to pass its USF obligations through to end users."[18] TRA has long taken the position that telecommunications carriers are best situated to gauge the effect of an end-user surcharge upon their customer relationships and thus, while no carrier should be compelled to reflect a specific universal service surcharge on a customer's bill, those carriers who choose to do so should not be restrained from documenting on a customer's bill the universal service contributions being passed through to the customer. TRA thus takes exception to LCI's characterization of the Joint Board's position as an absolute prohibition on use of a retail end-user surcharge for any purpose. The Joint Board has rejected use of a retail end-user surcharge only *as a universal service funding mechanism*. Nowhere does the Joint Board suggest that "carriers are ultimately liable for funding universal service without recourse to consumers."[19]

On the contrary, by recommending the adoption of gross revenues net of payments to other carriers as the basis for universal service funding contributions, the Joint Board specifically recognizes that a carrier's universal service contributions will be passed on to its customers, without distinction between resale customers or the ultimate end-user consumer. For

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[17] Comments of LCI at 13.

[18] Id.

[19] Id. at 14.

this reason, carriers will be allowed a reduction in gross telecommunications revenues for all payments made to other carriers -- including the universal service contributions an underlying carrier has built into its rates -- in order that subsequent purchasers of telecommunications services will not be assessed double, triple or greater universal service contributions.

LCI also makes the unsupported assertion that "[a]s a practical matter, the Act makes carriers accountable for remitting contributions in the same way carriers are accountable for remitting sales and gross receipts taxes."[20] On the contrary, Section 254 requires only that every provider of telecommunications services shall contribute to the universal service fund in an equitable and nondiscriminatory fashion. Numerous other provisions of the 1996 Act, however, repeatedly evidence an overriding concern for competitive neutrality in the implementation of funding mechanisms. For example, in fulfilling its mandate under Section 251(e)(2) to allocate "[the]cost of establishing telecommunications numbering administration arrangements . . . [among] all telecommunications carriers on a competitively neutral basis,"[21] the Commission required that:

> (1) only "telecommunications carriers," as defined in Section 3(44) of the 1996 Act, shall contribute to the costs of number administration; and (2) that such contribution shall be based on each contributor's gross revenues from its provision of telecommunications services reduced by all payments for telecommunications services and facilities that have been paid to other telecommunications carriers.[22]

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[20] Id.

[21] 47 C.F.R. § 251(e)(2).

[22] Local Competition Second Report and Order, FCC 96-333 at ¶ 21.

As the Commission explained:

> Section 251(e) requires that the costs of telecommunications numbering administration be borne by all telecommunications carriers on a competitively neutral basis. Contributions based on gross revenues would not be competitively neutral for those carriers that purchase telecommunications facilities and services from other telecommunications carriers because the carriers from whom they purchase services or facilities will have included in their gross revenues, and thus in their contributions to number administration, those revenues earned from services and facilities sold to other carriers. Therefore, to avoid such an outcome, we require all telecommunications carriers to subtract from their gross telecommunications services revenues expenditures for all telecommunications services and facilities that have been paid to other telecommunications carriers.[23]

The Commission has also recognized the wisdom of adopting this methodology as an effective means of eradicating a potential "double assessment" problem in its consideration of number portability administration[24] and the assessment of regulatory fees.[25] Adoption of a similar methodology is appropriate here, where a similar "double assessment" risk exists.

TRA finds it noteworthy that the Kentucky Public Service Commission reached a like conclusion in its consideration of similar intrastate issues. After determining that "all ILECs, ALECs, competitive access providers ("CAPS"), IXCs, toll services resellers and wireless providers" should pay into the universal service fund, the Kentucky PSC held that "[t]o prevent

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[23] Id. at ¶ 343 (footnote omitted).

[24] Telephone Number Portability (Further Notice of Proposed Rulemaking), FCC 96-286 at ¶ 213.

[25] Assessment and Collection of Regulatory Fees for Fiscal Year 1995, 10 FCC Rcd. 13512, ¶ 135 (1995).

some double counting, the assessment should be based upon a percentage of gross intrastate revenues derived from services sold to end-users, i.e., net of payments to other carriers."[26]

Finally, the arguments of GVNW, Inc./Management ("GVNW") based upon net rather than gross telecommunications revenues will unduly burden ILECs and CLECs because those entities make relatively few payments to other carriers amount to nothing more than a plea to subject other carriers to a potential double payment in order that carriers whose net telecommunications revenues are high may be relieved of a corresponding share of their respective universal service contribution obligations.[27] Such patently self-serving arguments should be dismissed by the Commission out of hand.

B. Non-Facilities-Based Providers Which Perform Universal Service Functions Should Be Deemed Eligible to Receive Universal Service Support

A number of commenters joined with TRA in urging the Commission to expand the universe of potential "eligible carriers" recommended by the Joint Board to encompass non-facilities-based providers, including traditional "total service" resale carriers and carriers that have created "virtual networks" out of unbundled network elements obtained from ILECs.[28] These commenters all correctly observe that the laudable goals underlying Section 254, as well as the 1996 Act as a whole, would be furthered by permitting non-facilities-based providers to receive universal service support.

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[26] Order in Administrative Case No. 355, An Inquiry Into Local Competition, Universal Service, and the Non-Traffic Sensitive Access Rates, at 35.

[27] Comments of GNVW at 19.

[28] *See, e.g.,* Comments of Excel at 4 - 15; Comments of Telco at 5-11; Comments of MFS Communications Company, Inc. ("MFS") at 15 - 19.

Like TRA, Excel argues that the facilities-ownership restriction the Joint Board recommends would place non-facilities-based carriers at a competitive disadvantage and hence would not be competitively neutral. As Excel explains:

> Because local resellers must necessarily compete with facilities-based carriers for customers, if local resellers do not receive universal service support and facilities-based carriers do, the flow of universal service support effectively erects a barrier to entry in the market for the provision of universal service. . . . If local resellers do not receive universal service support to help them recover the higher costs incurred in providing universal services, they will be forced to absorb their losses, increase prices charged to low income customers and customers in high cost areas altogether.[29]

Or as succinctly stated by Telco, "[d]enying recovery of such costs incurred by local resellers and granting recovery of such costs incurred by all other local providers of universal service will establish an uneven playing field and act as a barrier to entry in the universal service market."[30] Even the Joint Board itself acknowledged that unnecessary restrictions on eligibility to receive universal service funding could "chill competitive entry into high cost areas" and that "wholesale exclusion of classes of carriers from eligibility is inconsistent with the plain language of the 1996 Act."[31] As the Commission has elsewhere held, "competitive neutrality" requires that no carrier be significantly disadvantaged in its "ability to compete with other carriers for customers in the marketplace."[32]

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[29] Comments of Excel at 5 - 6.

[30] Comments of Telco at 8.

[31] Recommended Decision, FCC 96J-3 at ¶¶ 156, 158.

[32] Telephone Number Portability (First Report and Order), CC Docket No. 95-116, FCC 96-286, ¶ 131 (July 2, 1996).

Commenters also concur with TRA that the Joint Board's reading of Section 214(e) is overly restrictive. As Excel points out that "facilities" are not necessarily limited to switching and transmission facilities.[33] Indeed, Excel properly notes that "back office" facilities used to perform customer service, billing and comparable functions are "facilities." As TRA noted in its comments, it was at least in part to avoid drawing difficult, and often meaningless, distinctions among facilities and providers that the Commission elected not to impose a facilities-ownership requirement on carriers seeking to acquire unbundled network elements. Thus, the Commission recognized that "it would be administratively impossible to impose a requirement that carriers must own some of their own local exchange facilities in order to obtain access to unbundled elements, and . . . use these facilities, in combination with unbundled elements, for the purpose of providing local services."[34] In this regard, the Commission explained that "a new market entrant may offer services to one group of consumers using unbundled network elements, and it may offer services to a separate group of consumers by reselling and incumbent LEC's services."[35] Such complications led the Commission to conclude that a facilities-ownership requirement "would likely be so easy to meet it would ultimately be meaningless."[36]

Commenters also join TRA in urging the Commission, if necessary, to forbear from enforcement of any facilities-ownership requirement read into Section 214(e). As Telco

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[33] Comments of Excel at 7 - 11.

[34] Local Competition First Report and Order, FCC 96-325 at ¶ 339.

[35] Id. at ¶ 341.

[36] Id. at ¶ 339.

notes, forbearance is clearly warranted under the standard laid out in Section 401 of the 1996 Act:[37]

> Enforcement of the exclusion is not necessary to ensure that the charges, practices, classifications, or regulations associated with the provision of universal service are just and reasonable and not discriminatory. In fact . . . enforcing the exclusion will discriminate against local resellers, forcing them to absorb their losses, charge higher rates or stop providing universal service altogether. Neither is enforcement of the exclusion necessary for the protection of consumers. So long as consumers receive the services supported by the universal service fund, it should make no difference whether the service provider is a local reseller or another carrier. Finally, forbearance from enforcement of the exclusion is consistent with the public interest because it will promote competition in the market for universal services which will lower prices, increase incentives for innovation, and increase consumer choice.[38]

As TRA emphasized in its comments, the 1996 Act contemplates three coequal paths of entry into the local market, two of which are potentially non-facilities-based, and "neither explicitly nor implicitly expresses a preference for one particular entry strategy."[39] As the Commission has acknowledged, non-facilities-based "[r]esale will be an important entry strategy for many new entrants . . . [and] an important entry strategy for small businesses" in particular; for many smaller providers, "the resale option will remain an important entry strategy

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[37] The Commission may forebear under Section 401 from enforcement if it determines that enforcement is not necessary to ensure just, reasonable and nondiscriminatory charges, practices, classifications or regulations or to protect consumers and that forbearance would be in the public interest, which public interest determination could be predicated on a determination that forbearance will promote competitive market conditions. 47 U.S.C. § 160.

[38] Comments of Telco at 9.

[39] Local Competition First Report and Order, FCC 96-325 at ¶ 12.

over the longer term."[40] Against this backdrop, TRA submits that it makes little sense to draw meaningless distinctions between local service providers based on whether they do or so not have a single facility in a market. It makes absolutely no sense when such an action would serve to dampen competition.

TRA concurs with other commenters that if a facilities-ownership restriction is read into Section 214(e) and the Commission elects not to forebear from enforcing that restriction, facilities-based providers should be required to pass through to resale carrier customers any universal service funding received in support of universal services provided by those resale carriers to their customers. In the alternative, resale carriers could be allowed to offset their universal service fund contributions by amounts equal to the support the carriers would have received had the eligibility restriction not been enforced.[41] As detailed by Excel:

> In providing resold local services, by buying and reselling the underlying LEC's universal services, Excel will step into the shoes of the LEC and assume the risks associated with providing the services supported by the federal universal service mechanism, while guaranteeing the LEC a return on its investment in those facilities. The Commission should not allow the underlying LEC to over-recover its costs by charging local resellers its normal charges, while at the same time, recovering costs from universal service support mechanism.
>
> If a reseller is willing and able to provide universal service to a customer without receiving the benefit of universal service support to offset the costs, that carrier should, at the very least, be allowed to offset its universal service fund assessment by the amount of support the carrier would have received had it been eligible. To provide otherwise would be a disincentive for resellers to provide service to customers who are universal service eligible and would

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[40] Id. at ¶ 907.

[41] *See, e.g.,* Comments of Excel at 15; Comments of Telco at 10-11.

also be inconsistent with the fundamental funding mechanism mandated by Section 254(b)(4).[42]

C. The Equities Favor a Narrowly Tailored Application of the Joint Board's "No-Disconnect" Recommendation

TRA agrees with those commenters which stress the importance of carefully defining the scope of circumstances under which carriers receiving universal service support will be prohibited from disconnecting service for non-payment of toll charges. The Joint Board recommends applying this prohibition only with respect to Lifeline customers of eligible telecommunications carriers,[43] a conclusion which TRA wholeheartedly supports.

While TRA believes it may be too broad a commentary to suggest that "disconnection for non-payment of toll charges is a significant barrier to universal service,"[44] TRA agrees with the Joint Board that "prohibiting carriers from disconnecting Lifeline subscribers' local service for non-payment of toll charges" may encourage eligible telecommunications carriers "to offer low-income consumers toll-limitation services to manage their toll expenditures."[45] However, as the Commission is well aware, in jurisdictions which have imposed a broad-based prohibition on disconnection, carriers are routinely subjected to elevated

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[42] Comments of Excel at 13 - 15.

[43] *See, e.g.,* Recommended Decision, FCC 96J-3 at ¶387: "[T]he Joint Board recommends that the Commission prohibit carriers receiving universal service support for providing Lifeline service from disconnecting *such service* for non-payment of toll charges. . ."

[44] Id .at ¶387.

[45] Id.

"uncollectible" rates and toll fraud expenses, costs which are ultimately borne by all consumers in the form of necessarily higher rates.

TRA finds noteworthy MCI's experience in Pennsylvania, a jurisdiction imposing an across-the-board "no-disconnect" policy: "MCI's bad debt percentage in Pennsylvania, which does not allow DNP, is more than double that of any other state in which Bell Atlantic performs billing and collection for MCI."[46] Further, contradicting the Joint Board's conclusion that "no-disconnect" policies will advance universal service, MCI points out that throughout the time period Pennsylvania has enforced its "no-disconnect" policy, penetration rates in the Commonwealth have not kept pace with the national increase in penetration rates.[47]

TRA agrees that an across-the-board "no-disconnect" rule "does not constitute a targeted solution to telephone subscribership concerns"[48] and thus sees no countervailing benefit to applying the prohibition any more broadly than as currently proposed. Conversely, a broad application will result in significant expenses which must be recovered from all consumers. Accordingly, TRA strongly urges the Commission to limit any "no-disconnect" policy to apply to Lifeline customers of carriers which have received universal service support for those Lifeline services.

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[46] Comments of MCI at ftnt.5.

[47] Comments of MCI at 12-13.

[48] Comments of WorldCom, Inc. ("WorldCom") at 24.

III.

CONCLUSION

By reason of the foregoing, the Telecommunications Resellers Association urges the Commission in assessing the Joint Board's recommendations and in implementing the universal service support requirements mandated by the Telecommunications Act of 1996 to adopt rules and policies consistent with these Reply Comments.

Respectfully submitted,

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January 10, 1997

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